

**U.S. Department of the Interior  
Bureau of Land Management  
Kremmling Field Office  
P.O. Box 68  
Kremmling, CO 80459**

## **DOCUMENTATION OF LAND USE PLAN CONFORMANCE AND NEPA ADEQUACY**

NUMBER: CO-120-2008-03-DNA

PROJECT NAME: McCallum Flowline Work

LEGAL DESCRIPTION: T. 10 N., R. 79 W., Sec. 34  
McCallum Oil Field, Jackson County

APPLICANT: Bonanza Creek Energy Operating CO., LLC

DESCRIPTION OF PROPOSED ACTION:

Background: The Federal mineral estate, administered by the Bureau of Land Management (BLM) as part of its mineral leasing program, provides minerals, including fossil fuels, for the benefit and use of the American public, and encourages development of domestic oil and gas reserves to reduce dependence on foreign energy supplies. Mineral development is supported by the Mineral Leasing Act (1920 30 USC 181 et. seq.) and the Federal Land Policy and Management Act (FLPMA).

Bonanza Creek Energy Operating CO., LLC (Bonanza) recently acquired a number of Oil and Gas Leases in the McCallum Oil Field (McCallum) in Jackson County, Colorado, an area addressed in the RMP with an *Oil and Gas* land use priority. The ROD states that these lands are known to contain oil and gas, and the priority is to given to leasing and development for the production of oil and gas.

Proposed Action: The Proposed Action would occur in the McCallum Oil Field in Jackson County, Colorado. Bonanza proposes to replace the injection line (1" Sch 40, welded, coated steel line) between well #182 and the N2 header building. Flowlines from the #173 (injection line), #52, #116, and #53x (production lines - 2" SDR-7 fused poly line) wells would also be replaced and tied into the flowline running between #182 and N2. Installation and replacement of these lines would require construction of a trench 5' deep by 2' wide, utilizing a trencher or backhoe depending on conditions. The trenching would follow existing roads and/or disturbance corridors of the original flowline (see Attachment #1 for project map).

LAND USE PLAN (LUP) CONFORMANCE REVIEW: The Proposed Action is subject to the following plan:

Name of Plan: Kremmling Resource Management Plan (RMP), Record of Decision (ROD)

Date Approved: December 19, 1984; Updated February 1999

The Proposed Action is in conformance with the LUP, even though it is not specifically provided for, because it is clearly consistent with the following LUP decisions (objectives, terms, and conditions):

Decision Language:

II. RESOURCE DECISIONS, 1. Minerals Management, PG 4. Notes that the objective is to maximize the availability of the federal mineral estate for mineral exploration and development.

The proposed action is located in an area addressed in the RMP with an *Oil and Gas* land use priority. The ROD states that these lands are known to contain oil and gas, and the priority is to give to leasing and development for the production of oil and gas.

REVIEW OF EXISTING NEPA DOCUMENTS:

List by name and date all existing NEPA documents that cover the Proposed Action.

Name of Documents: Nielson & Associates 12 Applications for Permit to Drill (APDs); CO-KRFO-04-25 EA

Date Approved: April 19, 2004

Name of Documents: Nielson & Associates 15 Oil Well Applications for Permit to Drill (APDs); CO- KRFO-02-31A EA

Date Approved: September 5, 2002

NEPA Adequacy Criteria	Yes	No
<p>1. Is the Proposed Action substantially the same action and at the site specifically analyzed in an existing document?</p> <p>Explanation: Yes, the Proposed Action would follow existing disturbance routes (ie. Roads and flowline corridors) within the same areas analyzed in the CO-KRFO-04-25 EA and CO- KRFO-02-31A EA.</p>	<b>X</b>	
<p>2. Was a reasonable range of alternatives to the Proposed Action analyzed in the existing NEPA document(s), and does that range and analysis appropriately consider current environmental concerns, interests, and resource values?</p> <p>Explanation: Yes, the Proposed Action and the No Action Alternative were analyzed in the existing NEPA document. The analysis appropriately considers current environmental concerns, interests, and resource values.</p>	<b>X</b>	
<p>3. Does the information or circumstances upon which the existing NEPA document(s) are based remain valid and germane to the Proposed Action? Is the analysis still valid in light of new studies or resource assessment information?</p> <p>Explanation: Yes, there is no new information or circumstances that would invalidate the existing analyses.</p>	<b>X</b>	
<p>4. Does the methodology and analytical approach used in the existing NEPA document(s) continue to be appropriate for the Proposed Action?</p> <p>Explanation: Yes, the methodology and analytical approach used in the 2002 and 2004 EAs continues to be appropriate for the Proposed Action.</p>	<b>X</b>	
<p>5. Are the direct and indirect impacts that would result from implementation of the Proposed Action unchanged from those analyzed in the existing NEPA document?</p> <p>Explanation: Yes, the CO-KRFO-04-25 EA and CO- KRFO-02-31A EA analyzed the ground disturbing impacts associated with installing flowlines. The proposed construction activities would lie within this impact analysis area.</p>	<b>X</b>	
<p>6. Are the cumulative impacts that would result from implementation of the Proposed Action unchanged from those analyzed in the existing NEPA document(s)?</p> <p>Explanation: Yes, the cumulative impacts that would result from implementation of the Proposed Action remain unchanged.</p>	<b>X</b>	
<p>7. Is the public involvement and interagency review associated with</p>	<b>X</b>	

the existing NEPA document(s) adequate for the Proposed Action?		
Explanation: Yes, the Kremmling RMP/ROD was thoroughly scrutinized by members of the general public as well as other federal, state and local agencies. The Proposed Action, which would occur within the existing oil field development, would not create any new resource issues or concerns and there have been no additional issues, concerns, or controversies developed since the 2002 and 2004 EAs were written. The Proposed Action is listed on the Kremmling Field Office Internet NEPA Register notifying potential interested or affected publics.		

INTERDISCIPLINARY REVIEW:

Name	Title	Area of Responsibility	Date Review Completed
Kelly Hodgson	Natural Resource Specialist	Minerals, Surface Reclamation	11/7/07
Megan McGuire	Wildlife Biologist	Wildlife & T&E	11/7/07
Paula Belcher	Hydrologist	Soil, Water, Air, and Riparian	11/7/07
Richard Johnson	Rangeland Mgt Specialist	Invasive, Non-native Species, Vegetation, Range	11/7/07
Bill Wyatt	Archaeologist	Cultural, Native American Religious Concerns	Cultural reports being submitted
Joe Stout	P&EC	NEPA Compliance	11/8/07

See the 2002 EA and 2004 EA for a complete list of the original interdisciplinary team member's participating in the preparation of these documents.

REMARKS:

**Cultural Resources:** The proposed well locations are within areas that have acceptable cultural resource inventories which have adequately identified known cultural resources at proposed well locations and all access to those well pads. No cultural resources that are eligible to the National Register are located within the proposed well site locations.

**Native American Religious Concerns:** Native American consultation for ground disturbance activities within the proposed project areas were completed during the 2002 EA and 2004 EA process. No concerns were identified.

**Threatened and Endangered Species:** No impacts to federal or state listed threatened or endangered species. The proposed project is located in habitat occupied by Greater sage-grouse, a BLM designated sensitive species. While sage-grouse occupy the project area on a yearlong

basis, the area is especially important as nesting habitat for sage-grouse. The nearest sage-grouse breeding complex (referred to as a lek) is located less than 1 mile west of the project area. Two other active leks are located within two miles. The sagebrush habitat adjoining the leks provides hiding and nesting cover for sage-grouse during the nesting season. The project area is also mapped as sage-grouse winter range by the Colorado Division of Wildlife. Construction activities would likely displace sage-grouse during the nesting and winter seasons, thus the proposed mitigation is included below.

Visual Resources: The Proposed Action is located in a developed oil and gas field and is not anticipated to have an adverse effect on Visual Resources. Proposed flowlines would be located along existing access routes to limit overall disturbance.

MITIGATION:

- Soil removed during trenching would be replaced within the trench, compacted, and seeded with a BLM approved seed mix (See Attachment #2 for seed mix) immediately following completion of construction.
- Bonanza Energy would be responsible for the management and control of invasive non-native plant species within the project area.
- In order to avoid impacts to sage-grouse during the nesting and winter seasons, no construction activity would be allowed between December 16<sup>th</sup> to June 30<sup>th</sup>.

NAME OF PREPARER: Kelly Hodgson

NAME OF ENVIRONMENTAL COORDINATOR: Joe Stout

DATE: 11/8/07

ATTACHMENTS:

- 1.) Project Map
- 2.) Seed Mix

## **CONCLUSION**

**CO-120-2008-03-DNA**

Based on the review documented above, I conclude that this proposal conforms to the land use plan and that the NEPA documentation previously prepared fully covers the Proposed Action and constitutes BLM's compliance with the requirements of NEPA.

SIGNATURE OF RESPONSIBLE OFFICIAL: /s/ Peter McFadden (acting)

DATE SIGNED: 11/08/07

Note: The signed Conclusion on this worksheet is part of an interim step in the BLM's internal decision process and does not constitute an appealable decision.